

NO-1192 939 PETTY CASH CUSTODIAN HANDBOOK: A GUIDE FOR  
NONAPPROPRIATED FUND PETTY CA. (U) AIR COMMAND AND  
STAFF COLL MAXWELL AFB AL G L NOLAN APR 88  
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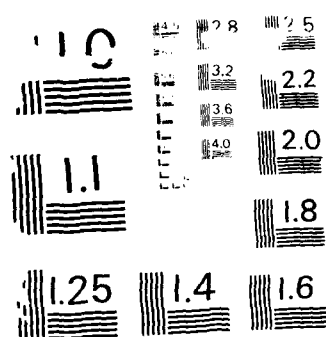
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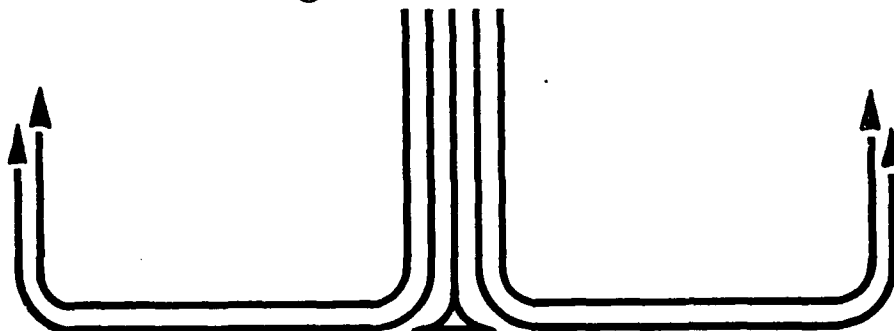


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## STUDENT REPORT

PETTY CASH CUSTODIAN HANDBOOK:  
A GUIDE FOR NONAPPROPRIATED FUND  
PETTY CASH CUSTODIANS IN MORALE,  
WELFARE, AND RECREATION ACTIVITIES  
MAJOR GEOFFREY L. NOLAN 88-1990  
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**TITLE** PETTY CASH CUSTODIAN HANDBOOK: A GUIDE FOR  
NONAPPROPRIATED FUND PETTY CASH CUSTODIANS IN MORALE,  
WELFARE, AND RECREATION ACTIVITIES

**AUTHOR(S)** MAJOR GEOFFREY LAWRENCE NOLAN, USAF



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**SPONSOR** LT COL CHARLES B. LONG, HQ ATC/DPS

Submitted to the faculty in partial fulfillment of  
requirements for graduation.

**AIR COMMAND AND STAFF COLLEGE**  
**AIR UNIVERSITY**  
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## PREFACE

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Within the Morale, Welfare, and Recreation (MWR) community there are two basic sources of funding support: Appropriated funds (APF) and nonappropriated funds (NAFs). Appropriated funds are funds "appropriated" by the Congress from taxes collected by the United States Government. Nonappropriated funds are generated through the operation of nonappropriated fund instrumentalities (NAFIs) such as MWR operations and the Army and Air Force Exchange Service (AAFES). Both types of funds are assets of the government and are controlled and regulated through government rules and procedures. (1:4)

Base level appropriated funds are controlled, managed, and accounted for by the Accounting and Finance community. They are obligated and expended through the Base Contracting Office, subject to stringent controls on how and for what they are spent. Nonappropriated fund assets of the government in control and custody of MWR personnel at base level are managed, accounted for, and expended through accounting and procurement offices within the MWR division. Petty cash expenditures in MWR are a decentralized form of procurement designed to simplify and expedite certain transactions necessary to the conduct of MWR operations. They are possible by the delegation of procurement authority from the Nonappropriated Funds Financial Management Officer (NAFFMO) through the central NAF procurement office to the petty cash custodian. Expenditure of NAFs through petty cash are subject to the same prohibitions and restrictions as other purchases with NAFs and further restrictions which apply to the petty cash transactions themselves.

The restrictions and regulations which apply to NAFs and petty cash purchases with NAFs are designed to protect the interests of the government. But the rules and guidelines which pertain to nonappropriated fund expenditures and petty cash transactions are covered in several regulations. This guide consolidates, for easier access, the basic guidelines which petty cash custodians should follow. It also provides a self-inspection checklist for use by the petty cash custodian and other responsible officials charged with the proper administration of these government assets.

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## CONTINUED

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This document was developed under the sponsorship of the Morale, Welfare, and Recreation Directorate, Air Training Command (ATC). This directorate has developed other handbooks and guides for use within ATC such as the Snack Bar Manager's Handbook, Class VI Store Manager's Handbook, and a Class VI Store Manager's Guide on Price Theory. These handbooks and guides have proven very useful within Air Training Command. During the research phase of this effort three of five other major commands (MAJCOMs) specifically requested copies of the final product for possible use within their operations.

Consolidating applicable information into one simple guide for petty cash custodians should help them improve their administration of petty cash funds. Ready access to the consolidated information should allow them more time to focus on other challenges resulting in improved efficiency. Assertions made in this paper which are not specifically referenced to the bibliography represent the author's opinion or experience based on 14 years service in the MWR career field.



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## ABOUT THE AUTHOR

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The author was born in Philadelphia, Pennsylvania. As the son of an Air Force officer, he was raised in various locations throughout the United States. He attended the University of Maryland, graduating with a Bachelor of Science degree in Business Administration/Management in 1973. He has been assigned to various level positions in base Morale, Welfare, and Recreation Divisions throughout his 14 years in the career field, including those of Financial Operations Supervisor (FOS), Nonappropriated Funds Financial Management Officer (NAFFMO), MWR Division Operations Officer, and as an MWR Division Chief from 1982 to 1987. He received his Master's Degree in Business Administration (MBA) from Chaminade University in Honolulu, Hawaii, in 1981. His professional military education (PME) includes Squadron Officer School (SOS) by correspondence and residence, and the Marine Command and Staff College by correspondence. This paper partially fulfills the requirements for graduation from the Air Command and Staff College (ACSC) in residence.

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## Chapter One

### INTRODUCTION

Administration of a petty cash fund in Morale, Welfare, and Recreation (MWR) activities can be unnecessarily difficult for the assigned petty cash custodian. A review of MWR regulations revealed five different sources which cover the petty cash custodian's duties, responsibilities, purchase restrictions and limitations, and administrative requirements. This information is not consolidated for ready access.

The petty cash custodian has the responsibility of being knowledgeable of all the pertinent information covered in these different regulations, but in the author's experience the regulations are not readily available to the petty cash custodian in his/her immediate work area. Petty cash custodians are usually working in different operational activities located within the MWR division. The petty cash custodian generally handles petty cash transactions for his/her functional area such as the Officers' Open Mess (OOM), Noncommissioned Officers' Open Mess (NCOOM), or the Central Base Fund (CBF). While these functional areas do maintain regulations which apply to MWR and the functional operation, the regulations are usually maintained in a central "library" for the functional area.

This "library" usually contains some of the regulations needed by the petty cash custodian but probably not all of them. Normally, there is also a set of operating instructions (OIs) developed for the division and functional area. But the OIs address information contained in specific, usually single, regulations. The rules and guidelines pertaining to petty cash, which are found in several different regulations, would not be found in a single operating instruction. The information is not consolidated into a single "desktop" reference which the petty cash custodian can have at his/her fingertips. It makes sense to consolidate the information available into a single, "ready" reference to simplify the petty cash custodian's administration of the fund.

This paper discusses guidelines for petty cash custodians, the need to consolidate the guidelines, and "what" information to include in a consolidated guide. Finally, the information is presented in a simple guide for MWR petty cash custodians.

## Chapter 2

### GUIDELINES FOR PETTY CASH CUSTODIANS

A review of the myriad regulations which pertain to MWR revealed information in five different regulations which should be consolidated for the petty cash custodian. Air Force Regulations (AFRs) 176-1 Basic Responsibilities, Policies, and Practices; 176-2 Financial Operations and Control of Assets; 176-9 Nonappropriated Fund Contracting; 176-10 Financial Operations and Accounting Procedures; and, 125-37 The Installation and Resources Protection Program, all touch upon information the petty cash custodian needs to do his/her job properly. These regulations consist of roughly 500 pages, only a few of which concern the petty cash custodian. As can be seen in the following summary of the pertinent information contained in each of the five regulations, some of the applicable subject matter is addressed in general in one regulation and more specifically in another.

AFR 176-1, Basic Responsibilities, Policies, and Practices, briefly discusses and defines the term "custodian" in general. It contains some very basic guidance on authorized uses of NAFs, policies and prohibitions on the use of NAFs, and unauthorized uses of NAFs. It also contains a general discussion of tax liabilities of NAFs. (2:--)

AFR 176-2, Financial Operations and Control of Assets, again discusses "custodian" and a relatively detailed list of a custodian's responsibilities. It includes a chapter which discusses imprest funds. "Imprest funds are funds established for a designated purpose with special controls and procedures." (3:15) Since a petty cash fund is one type of imprest fund, the guidance in this chapter is applicable to petty cash funds. The regulation includes procedures to follow for loss of cash and other assets, general physical safeguards for NAFs, and anti-robbery procedures. (3:--)

AFR 176-9, Nonappropriated Fund Contracting, discusses custodian responsibilities and delegations of contracting authority from the Nonappropriated Funds Financial Management Officer (NAFFMO) to petty cash custodians. It delineates specific "dollar amount" limitations per petty cash transaction and specifically prohibits use of petty cash for certain categories of expenditures. Some of these restrictions are also outlined in AFR 176-2 (discussed above) in the discussion of imprest funds. (4:--)

AFR 176-10, Financial Operations and Accounting Procedures, discusses general accounting policy and principles for NAFs, the accounting period for NAFs, and recording income and expenses for accounting purposes. It also describes the system of general ledger account codes (GLACs) and contains the chart of GLACs and account descriptions for each. There is a short paragraph on imprest funds which refers back to AFR 176-2 for "further description, use, and maintenance procedures." (5:18.1) AFR 176-10 defines property and equipment which are nonexpendable items that must be recorded on property records and depreciated over their useful life. It also discusses the forms to be used by the petty cash custodian for administering and reimbursing the petty cash fund. (5:--)

AFR 125-37, The Installation and Resources Protection Program, is not a specific MWR regulation but falls under the purview of the Security Police. It does, however, contain information pertinent to the MWR petty cash custodian. It discusses protection of funds, fund activity custodian responsibilities, and fund storage facilities. It also specifies and discusses certain forms that are required to be maintained for fund storage containers. (1:--)

This summary illustrates the different guidelines available to the petty cash custodian. The guidelines are there if the petty cash custodian knows where to look and has access to the necessary regulations. But in the author's opinion, the information is not readily and efficiently accessed. The question becomes "Is there a need to consolidate the information?" In the author's mind the answer to this was unquestionably "yes" but this needed substantiation and support for the assertion to be valid.

## Chapter Three

### SUBSTANTIATING THE NEED

Once the author conceived the idea of writing a consolidated guide for MWR petty cash custodians, the next step was to obtain a project sponsor. This was the first stage of the process to substantiate and validate the need. If a sponsor could be found who agreed that the guide was necessary and would be useful, it would lend credibility to the idea and project. The author contacted Headquarters, Air Training Command, Directorate of Morale, Welfare, and Recreation at Randolph AFB, Texas. He explained the idea for the guide and his rationale for why he thought it was necessary. Lieutenant Colonel Charles B. Long (HQ ATC/DPS), concurred that it was a good idea and the guide would be useful.

Once a sponsor was found, and the initial credibility of the idea established, the author needed to more thoroughly assess and establish the need for the guide. He developed a simple questionnaire (Figure 1) to obtain feedback from the MWR "experts" working in the field and at MAJCOM headquarters. Coordination was obtained from ACSC/CAV to ensure that the simple questionnaire did not constitute a formal survey. The author attached a copy of his ACSC project design and a proposed topic outline for the guide to the questionnaire and mailed it to several MAJCOM and base level MWR officials. Thirty-nine questionnaires were sent to 15 various MWR organizations: Six MAJCOM MWR directorates, eight base level MWR divisions, and the MWR technical training course officials at Keesler AFB, Mississippi. Of the 39 questionnaires sent out, 31 (79%) responded. (6:--)

Of the 31 responses received, 26 (84%) supported the guide. Six MAJCOMs provided twelve responses, 11 (92%) of which were favorable. It should be noted that the one negative MAJCOM reply did support the concept of consolidating the information. The comment in this response as to the usefulness of the guide as proposed was "No, but a training aid consolidating the regulation requirements in one place may be of value in preparing petty cash operating instructions (OI)." (6:--). Although the author counted this response as negative, some argument could be made that it supports the idea of consolidation. It should also be noted that three of the MAJCOMs responding requested a copy of the finished guide in addition to HQ ATC/DPS, the project sponsor.

"MWR Petty Cash Custodian Handbook/Guide"

NAME:

DUTY TITLE:

ORGANIZATION:

Do you think that the handbook as proposed would be useful to you or your organization? Why/why not?

If the handbook would be useful, how would it be useful in your opinion?

Do you see a need to include anything else in the handbook not included in the proposal/outline?

Do you think the proposed handbook would provide a more convenient/efficient reference for petty cash custodians than is currently available?

Other Comments:

\*\*\* Please return to \*\*\*

G. L. NOLAN, Major, USAF  
224 Cynthia Lane  
Prattville, Al  
36067

THANKS FOR YOUR INPUT AND FEEDBACK

FIGURE 1



Of the 8 base level MWR divisions polled, 6 (75%) provided a total of 19 responses. Fifteen (80%) of these nineteen responses from the bases were favorable. Of the four negative replies, one was a flat "no" while three (from one base) indicated that the information was already covered by their OIs. Similar to the one negative MAJCOM reply discussed above, these three responses were categorized by the author as negative. But the fact that the information was included in OIs by that base also lends some support to consolidating the information in one place. Three (20%) of the fifteen locations to which questionnaires were sent did not respond. (6:--)

The units and questionnaire responses are detailed and summarized in Table 1. (6:--). In general, the comments received were favorable and stressed the concise and handy reference aspect of the guide. Other comments indicated that the guide would be particularly useful at remote or isolated locations and have the additional utility of being a training aid. The responses came from MWR personnel located in various organizational levels within the MWR community ranging from MAJCOM MWR directors to base level petty cash custodians. A breakout of the duty positions of the respondents and number of positive and negative responses is located at Table 2. (6:--)

In the author's opinion, the responses to the questionnaires validated the need for the guide. The next step was to determine "what" to include in the final product.

# SUMMARY OF QUESTIONNAIRE RESPONSES

<u>LOCATION</u>	<u>QUESTIONNAIRES SENT</u>	<u>RESPONSES REC'D</u>	<u>POSITIVE RESPONSES</u>	<u>NEGATIVE RESPONSES</u>
(MAJCOMS)				
HQ AAC/DPS *	2	4	4	0
HQ ATC/DPS *	2	2	2	0
HQ MAC/DPS *	2	2	2	0
HQ PACAF/DPS	2	1	1	0
HQ SAC/DPS **	2	1	0	1
HQ TAC/DPS *	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
(sub-tot)	12	12 (100%)	11 (92%)	1 (8%)
(Base-Level)				
437 ABG/SS	3	3	3	0
15 ABW/SS	3	0	0	0
833 CSG/SS	3	2	2	0
3700 ABG/SS	3	1	1	0
47 ABG/SS	3	0	0	0
12 ABG/SS ***	3	3	0	3
375 ABG/SS	3	1	0	1
3750 ABG/SS	<u>3</u>	<u>9</u>	<u>9</u>	<u>0</u>
(sub-tot)	24	19 (79%)	15 (79%)	4 (21%)
MWR TCH TG SCH	3	0	0	0
TOTALS	39	31 (79%)	26 (84%)	5 (16%)

\* = Requested a copy of the guide  
 \*\* = Although a negative it supported consolidation  
 \*\*\* = Had already consolidated information in OIs

TABLE 1

# RESPONSES BY DUTY POSITIONS

	# RECEIVED	# POSITIVE	# NEGATIVE
MAJCOM MWR DIRECTOR	4	4	0
MAJCOM FINANCIAL MGR	6	5	1
MAJCOM MWR NCOIC	1	1	0
BASE MWR CHIEF	3	2	1
BASE RECREATION DIRECTOR	1	0	1
BASE NAFFMO	4	3	1
MWR ACTIVITY MGR	8	8	0
MWR PETTY CASH CUSTODIAN	3	2	1
	31	26	5

TABLE 2

## Chapter 4

### WHAT TO INCLUDE

When the author conceived the idea for the guide, he had a general idea of what to include based on his experience and a personal review of the regulations previously discussed. As part of his research project design, he developed a "topics" proposal. The proposed guide topics are presented at Figure 2. This outline was included with the questionnaires sent out and feedback was requested as to suggested additional information required.

Fifteen of the responses indicated that the guide would be complete as proposed and did not suggest any further additions. Four of the five negative responses to the need for such a guide were not applicable. Since those respondents did not support the guide they obviously would have no input to suggest. The fifth negative response (from HQ SAC), was discussed in the previous chapter as not supporting the guide per se but as supporting the consolidation of the regulatory requirements in one place to assist in preparing petty cash OIs. That response did suggest that as a training aid the final product should include a quick reference guide to the regulations and topics covered. (6:--)

Ten other specific suggestions were made in the remaining positive responses received. These 10 suggestions are detailed at Figure 3. (6:--) Some of these items were already intended for inclusion by the author in the guide. These included reimbursement procedures, referencing the regulatory requirement by self-inspection checklist items, covering the do's and don'ts, and the procedures for implementing and approving petty cash funds. Some of the suggestions were included in the guide as a result of the feedback. These included adding a list of General Ledger Account Codes (GLACs), re-titling "Robbery Procedures" to "Anti-Robbery Procedures," and discussing the use of Standard Form (SF) 1165 for cash advances. The remaining suggestions were rejected by the author for various reasons discussed below.

The suggestion to submit the guide as an attachment to a regulation was rejected because it defeated its purpose. The author envisioned the guide as a desktop reference that each petty cash custodian could have a copy of. The author rejected the suggestion to summarize guidance relating to other imprest funds and change funds because he considered it too much a diversion from the purpose of the guide (i.e., petty cash). The suggestion to discuss procedures to sign the fund over to another individual during employee absences was rejected because this function should be handled through the Nonappropriated Funds Financial Management Branch (NAFFMB) and not by the petty cash custodian on his/her own.

In the author's opinion, his basic ideas for the guide and what to include were sound. The feedback received substantiated the proposed topics outline although additions and improvements were made based on suggestions received from the "experts" in the field. The guide is a better product due to their inputs.

#### PROPOSED GUIDE TOPICS

- I. Purpose of petty cash funds
- II. Responsibilities of petty cash custodians
- III. General policies on the use of and prohibitions on use of NAFs
- IV. Specific guidance on petty cash use
  - accountability
  - limitations
  - taxes
- V. How to fill out required forms
  - AF form 1401 Petty Cash/Refund Voucher
  - AF form 2539 NAF Disbursement Request
- VI. General resources protection considerations
  - responsibility
  - building security
  - fund containers
    - SF 700 Security Container Information
    - SF 702 Security Container Check Sheet
- VII. Robbery procedures
- VIII. Self-inspection checklist

FIGURE 2

#### FEEDBACK SUGGESTIONS FOR GUIDE

1. Include "reimbursement procedures" (when, how, etc.).
2. Reference the regulatory requirement by the self-inspection checklist items.
3. Include a section on "common pitfalls" or "lessons learned" to give custodians the do's and don'ts.
4. Include procedures for implementation and approval of petty cash funds.
5. Include a list of General Ledger Account Codes (GLACs) and Cost Center/Activity Codes.
6. Re-title Chapter VII from "Robbery Procedures" as proposed to "Anti-Robbery Procedures."
7. Discuss use of Standard Form (SF) 1165 for cash advances.
8. Submit to HQ AFMPC to include as an attachment to AFR 176-1 or AFR 176-2.
9. Summarize guidance relating to other imprest funds (bingo, slot machine) and change funds (check cashing and foreign currency).
10. Discuss procedures on how to sign the fund over to a replacement during employee absences.

FIGURE 3

## Chapter Five

### CONCLUSION

Nonappropriated fund petty cash custodians in MWR activities have numerous responsibilities, requirements, and limitations in administering the petty cash fund. Accomplishing these duties is needlessly complicated by the applicable guidance being spread out in different regulations. To the author's knowledge, there isn't a single, consolidated reference to which the petty cash custodian can turn for some quick help. As shown in the previous chapters, the information is available, but it isn't conveniently and readily accessible. The information can be consolidated into a quick "desktop" reference source for the petty cash custodian.

Is the consolidation of the guidance necessary? The overwhelming majority of respondents to the author's questionnaire seem to think so. These are the people out in the "trenches" who are intimately familiar with MWR operations. The desired guide should consolidate the myriad of guidance available to the petty cash custodian into a single place and provide ready access for reference. This equips the petty cash custodian to better and more efficiently accomplish his/her duties and responsibilities. If their administration of the petty cash fund is simplified and more efficient, they will have more time to spend on other problems.

Petty cash custodians do need such a consolidated guide. They should have an aid that can be provided to make their jobs simpler and easier. Appendix A provides the consolidated guide.



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4. US Department of the Air Force. Nonappropriated Fund Contracting. AF Regulation 176-9. Washington, DC: Government Printing Office, 1984.
5. US Department of the Air Force. Financial Operations and Accounting Procedures. AF Regulation 176-10. Washington, DC: Government Printing Office, 1983.

#### Unpublished Materials

6. Informal Questionnaire Responses (31 each). Replies to the author's informal questionnaire; 12 each from 6 MAJCOMS and 19 each from 8 base level MWR Divisions. 1987.

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# APPENDIX

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A GUIDE FOR PETTY CASH CUSTODIANS  
IN  
MORALE  
WELFARE  
AND  
RECREATION ACTIVITIES

A GUIDE FOR PETTY CASH CUSTODIANS  
IN  
MORALE  
WELFARE  
AND  
RECREATION ACTIVITIES

## PREFACE

This guide was developed to help all the nonappropriated fund petty cash custodians in the field. By helping them perform their duties better, it may also help their MWR Chiefs who sweat out the helpful visits from the friendly Inspector General (IG) Team. On a more serious side, the guide was designed to consolidate basic information regarding petty cash from several regulations into one handy reference for the petty cash custodian. It is not intended to be all inclusive nor is it intended to be followed word-for-word. Some organizations may have effective local procedures or use different forms that vary from some specified item written in the guide. The information in the guide was compiled from the regulations; each MWR Chief must decide if the procedures used in his/her organization satisfy the regulatory requirements. In addition, the guide may be useful as a training aid for newly assigned petty cash custodians.

The guide was sponsored by Lieutenant Colonel Charles "Barry" Long, HQ ATC/DPS, and Major Michael J. Kelly (LtCol selectee), HQ ATC/DPSF, both of whom provided invaluable support to the author. Major E. R. "Bob" Tibbetts (LtCol selectee) was the author's faculty advisor. His sound advice, patience, and calmness during the author's moments of panic made completing the guide possible. The author has spent all 14 years of his time in service in the MWR career field, of which the last 5 were as an MWR Chief. He does not recall ever seeing a guide for petty cash custodians and hopes this guide will be valuable to them. It will hopefully provide some quick reference answers, or perhaps support their position on the propriety of some expenditure, and save them some time. By doing so, it should help them be more effective.

Special thanks go to the many different people from different bases and MAJCOM Headquarters who responded to the author's informal questionnaire regarding the guide. Their inputs established a credible need for the guide and provided valuable inputs on what to include in it. Special mention of Hugh F. "Doc" Redden (HQ MAC/DPS) and Terry Hendrickson (HQ MAC/DPSF) is in order. Their feedback, in essence, provided the self-inspection checklist included in the guide. Finally, extra-special thanks go to the author's wife (Barbara) who put up with her formal dining room being converted to an office for ten months, took care of the kids while dad was in the office, and provided the needed support and encouragement to keep him motivated.

An annotated copy of this guide is available from HQ ATC/DPS, Randolph AFB, Texas, 78150-5001.

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## CHAPTER ONE

### PETTY CASH FUNDS

So, the boss has assigned you as a petty cash custodian, eh? Now what? As a petty cash custodian you're entrusted with government funds and the responsibility to administer those funds in accordance with the regulations. Your boss is counting on you to know the rules and follow them! That should keep you both out of trouble, especially with the Inspector General (IG) Team. The rules are simple but spread out in a few regulations. I've tried to "pull them together" to give you a single reference for what you should know.

Air Force Regulation (AFR) 176-9 says that petty cash is "a cash fund of a fixed amount set up through an advance of funds, for immediate cash payment of relatively small amounts for authorized buys of goods and services." Sounds simple, doesn't it? It is simple, as long as you know and follow the rules. Did you note the words "authorized buys" in the definition above?

Petty cash, as the definition would indicate, is supposed to be simple and make everyone's job easier. It's a way for you "operators" and the people you support to make easy and quick purchases of items that you need to get the job done. AFR 176-2 even encourages the use of petty cash funds "when convenient and economically feasible."

Not only is it relatively quick, petty cash is usually a "cheaper" way to make small purchases. I've seen some reports in the past which estimated that the administrative cost of processing a request for purchase and purchase order from start to finish could be as high as \$150 per order. That's expensive, but you can see how reasonable it sounds when you consider the time it takes to prepare the purchase request and transmit it to the NAFFMB, the buyer's time spent contacting vendors, preparing the purchase order, transmitting it to the vendor, following-up on the order, and filing all the necessary documentation for the order. Then there's the receiving report that must be processed, loading the transaction into the accounting system, and writing a check to pay the vendor.

By comparison, use of petty cash is obviously simpler. It provides you a handy tool to help you do your job easier, quicker, and cheaper. But you do have some responsibilities in regard to the petty cash fund. We'll look at these in the next chapter.



## CHAPTER TWO

### RESPONSIBILITIES

As a petty cash custodian, you become an official of the government who has direct access to government funds. You are charged with the responsibility of properly protecting those funds, accounting for them, and seeing that they are used properly. The information you need to know to accomplish your responsibilities can be found in AFRs 176-1, 176-2, 176-9, 176-10, and 125-37. I've taken what I thought was appropriate from these regulations and consolidated it in this guide for you. This does not relieve you of your responsibility to be familiar with those regulations. I suggest you begin your duties by reviewing the regulations, then you can use the guide as a desktop reference. I've given you a brief summary of what each regulation covers at Figure 1. This should help you find more specific guidance should something come up that isn't covered in this guide.

You should also know that you can be held pecuniarily (monetarily) liable for a loss of the petty cash funds if it is determined that the loss was caused by either gross negligence or willful misconduct on your part. I certainly don't foresee this happening and mention it only to highlight the importance of your responsibilities. You are required to immediately report any loss as soon as discovered and without delay. I recommend that if you do discover a loss you immediately notify your supervisor and the Nonappropriated Funds Financial Management Officer (NAFFMO).

This pretty well summarizes your responsibilities in general. But you need some details on what you can and can't spend nonappropriated funds for, how to administer the petty cash fund (i.e., the paperwork), and how to protect the funds. We'll look at these areas in more detail in the following chapters.

## BRIEF REGULATION SUMMARY

- AFR 176-1 - Basic Responsibilities, Policies, and Practices
- discussed and defines "custodian" in general
  - basic guidance on authorized use of NAFs
  - policies on use of and prohibitions on use of NAFs
  - general discussion of taxes
- AFR 176-2 - Financial Operations and Control of Assets
- discusses custodian and responsibilities
  - chapter on imprest funds (Chapter 3)
  - procedures for loss of cash and other assets
  - general physical safeguards for NAFs
  - anti-robbery procedures
- AFR 176-9 - Nonappropriated Fund Contracting
- custodian responsibilities
  - delegation of contracting authority
  - dollar limits per petty cash transaction
  - restrictions on use of petty cash
- AFR 176-10 - Financial Operations and Accounting Procedures
- general accounting policy and principles for NAFs
  - accounting period for NAFs
  - recording income and expenses for accounting purposes
  - system of general ledger accounts and descriptions
  - property and equipment
  - reimbursing petty cash
- AFR 125-37 - The Installation and Resources Protection Program
- protection of funds
  - fund custodian responsibilities
  - fund storage facilities
  - fund storage containers

FIGURE 1

## CHAPTER THREE

### GENERAL POLICIES ON THE USE AND PROHIBITIONS ON THE USE OF NONAPPROPRIATED FUNDS

A key point to remember is that NAFs are government assets. No one person or group has any right to ownership of any NAF asset. Benefits should not accrue to any individuals and the funds should be used only in conducting official government business.

AFR 176-1, Chapter 3, provides a fairly extensive "laundry list" of basic policies on the use/non-use of nonappropriated funds. These policies apply to all NAF transactions, not just petty cash, and they do place some restrictions on what you can do. Granted, some of the restrictions are probably not "players" when we're talking petty cash, such as "investment policy" and "purchase of automated data processing equipment," but I've included them in the following summary for your general knowledge:

#### a. General Policies

- (1) You can't make purchases that require paying interest or carrying charges.
- (2) NAFs can be conservatively used to pay dues or fees in professional, scientific, or technical associations and societies for people performing liaison to those organizations.
- (3) NAFs can be used to support a coupon program promoting participation in MWR activities.
- (4) Investing by eligible NAFIs may only be done through the Air Force Centralized Investment Program.
- (5) Promotional mailings, including postage, may be paid by NAFs.
- (6) Any automated data processing equipment (ADP) acquired will be the standard systems specified by Headquarters Air Force Military Personnel Center, Directorate of Morale, Welfare, and Recreation (HQ AFMPC/DPMS).

b. NAFs will not be used

(1) To contribute to fund raisers for charities, foundations, or similar organizations.

(2) To pay all or part of any personal purchases.

(3) To support either the program or people attending courses on base such as NCO training or leadership schools.

(4) To pay dependent school costs.

(5) To buy tobacco products or related items as gifts, prizes, or for free issue.

(6) To purchase gifts.

(7) To support offices, lounges, or groups not primarily concerned with the MWR program (consolidated base personnel office (CBPO), base legal (JA), office of special investigations (OSI)).

(8) To support non-MWR operations, programs, or services such as Children Have a Potential (CHAP), project transaction, career motivation, permanent change of station (PCS) reception centers, and drug and alcohol abuse.

(9) To purchase or produce printed personal or organizational business, greeting, or holiday cards nor pay the postage to mail such cards.

(10) To pay any type of personal expenses.

(11) To buy distinctive emblems, patches, or accessories for military uniforms.

(12) To compensate military personnel in connection with their assigned duties.

(13) To buy land.

(14) To provide custodial or janitorial services to such facilities as education centers, veterinary clinics, CBPO, and so forth.

(15) To pay for portraits or pictures of senior military leaders.

(16) To participate in any type of preferred customer buying program.

(17) To provide contributions, dividends, or other donations of monies or assets to private organizations.

(18) To buy fuel for private, commercial, or foreign government aircraft.

(19) To invest welfare funds.

(20) To make loans to individuals.

Whew! That's quite a listing. It certainly shows that you can't spend nonappropriated funds for just anything. I strongly suggest that if you have any questions about a particular expenditure you refer to the regulations and talk to your NAFFMO for guidance. Well, that covers general policies for NAFs, now what about limitations on the use of petty cash itself?

## CHAPTER FOUR

### SPECIFIC GUIDANCE ON THE PETTY CASH FUND

The installation commander must approve the number and dollar amounts of all petty cash funds. This authority can be delegated to the NAFFMO in whole or in part. In any case, you should ensure that you have receipted for the petty cash fund from the NAFFMO. Keep the duplicate copy of the receipt you sign for your records. You must make sure that your cash accountability is accurate and fixed at all times. I recommend that you count the petty cash fund daily, and make sure that your cash advance receipts, sales receipts, and cash total up to the authorized amount of your petty cash fund (the amount you signed for). Remember that you are subject to surprise cash counts from your supervisor and the Financial Operations Supervisor (FOS) from the NAFFMB. You can bet that the IG will count your fund during an inspection, so be ready. Never co-mingle any other funds, personal or otherwise, with the petty cash fund. You should be aware of the fact that petty cash funds can't be larger than \$1,000 in United States (US) currency or \$500 in foreign currency, per location.

Petty cash purchases can't be greater than \$150 per transaction. There is provision in the regulations for emergency purchases up to \$300 per action. You should double check these amounts with your NAFFMO since he has the authority to set lower limits on these dollar amounts. You should also check with the NAFFMO and be sure you understand what would constitute an "emergency." You aren't allowed to "split" your purchases in order to "get around" these dollar amount limitations.

You can't spend petty cash to purchase nonexpendable equipment (property). This shouldn't be a problem for you, though, since property is generally defined as having a unit cost of \$300 or more (outside your limit) and a projected life expectancy of at least two years. Since the unit cost is \$300 or more it exceeds the dollar amount authorized for normal petty cash transactions. There is provision for petty cash custodians at remote or isolated overseas areas to buy nonexpendable equipment up to \$500. If this is done the petty cash custodian must make sure that the equipment is entered on the property records. Again, I recommend that you check with your NAFFMO for local procedures.

You also cannot use petty cash to pay employees (wages), to pay for entertainment or entertainers, or to pay other personal service or individual type contractors. You need to watch these restrictions closely since they can easily be inadvertently violated. I've seen some petty cash custodians get into a little "hot water" by forgetting about them. For example, how easy would it be to forget you can't pay for entertainers and pay a magician \$75 for a magic show? Or how about paying a couple of kids \$10 to put promotional flyers on the cars in the parking lot? These are just two simple examples that would violate the rules.

Another restriction you need to pay close attention to involves taxes. Since the petty cash funds are federal government assets, we don't pay any state or local taxes. Almost any cash purchase you might make off-base in your local area will have state or local sales taxes automatically added. Your NAFFMO should be able to give you a "tax exempt" number or some sort of sales tax exemption certificate to give to the vendor. If the vendor won't honor the exemption don't make the purchase and report the situation to your NAFFMO.

If the NAFFMO has authorized it, you can make refunds with petty cash. The activity manager or the person he/she designates must approve all refunds. Again, this involves local procedures so you need to check with the NAFFMO to see if refunds have been authorized and what local procedures established.

That pretty well summarizes the specific guidance for the petty cash fund. I guess a point I need to make here is that so far I've pretty much discussed the subject as though you, as petty cash custodian, are the actual "approving" authority for petty cash expenditures. Technically, that final approval authority (signs the "approved by" block on the forms we'll look at later) is probably your supervisor or activity manager (assuming you're not the manager). The point is that the transactions that occur are most likely going to be subject to approval at a higher level. Depending on your particular situation, the approving authority may require you to get his/her advance approval on any transaction, or may give you wide leeway to act independently. From my experience, I would expect you to have wide latitude to act on your own without prior approval from someone above. In either case, you need to know the restrictions we've discussed and keep them in mind. If you're told to make a purchase which you know is against the rules you should challenge it. But obviously you need to know the rules to do that.

Now, what are the different ways to make purchases and the forms involved? Let's look at these subjects in the next chapter.

## CHAPTER FIVE

### PROCEDURES AND FORMS

As the petty cash custodian you will probably be making some purchases yourself and authorizing (bearing in mind the discussion in the previous chapter on "approval authority") others to make purchases. Usually, when others are making a purchase one of two procedures is used. One way is to authorize the purchase and amount and have the individual go purchase the item with his/her own funds. When the person returns with the item and receipt, you reimburse them out of the petty cash fund. The second method which I think is more commonly used is for you to provide the person with a cash advance. The person takes the cash advance, makes the purchase, and then returns the receipt and unspent petty cash to you.

When you make a cash advance to a person, you must get a signed receipt. Two forms which are useful as receipts are the Air Force (AF) Form 2557, Cash Receipt Voucher, or the Standard Form (SF) 1165, Interim Receipt For Cash, samples of which are shown at Figure 2. Some bases even use the Air Force (AF) Form 1401, Petty Cash Voucher, itself as a cash advance receipt document (see Figure 3). You need to check your local procedures to see which form is used, but the important point is to make sure you get a signed receipt. You should keep the original of the receipt with your petty cash funds to account for the cash advance, and give a copy to the person who received the advance. When the person who received the advance funds returns with the vendor's receipt and change, make sure that the receipt and change total the amount advanced. Give the original cash advance receipt back to the person returning the vendor's receipt and change and complete the Petty Cash Voucher, AF Form 1401. At Figure 4, I've provided a sample of one way to fill out the AF Form 1401. Again, local procedures may vary slightly, so double check with your NAFFMO. At Appendix A, I've provided a list of General Ledger Account Codes (GLACs), and at Appendix B, is a list of NAF ID and Activity Codes to help you with the AF Form 1401.



# AF FORM 2557

<b>CASH RECEIPT VOUCHER</b>		<b>CONTROL NUMBER</b>	
NAME		DATE	
AMOUNT (Written)		AMOUNT (Figure) <input type="checkbox"/> CASH \$ <input type="checkbox"/> CHECK	
FOR			
GLAC. SECTION OR UNIT		RECEIVED BY (Signature)	

AF FORM 2557 NOV 76 PREVIOUS EDITION WILL BE USED

U.S. Government Printing Office: 1985-460-663/255713

# STANDARD FORM 1165

Standard Form 1165  
Revised (6-83)  
Department of the Treasury  
IFORM 4-1009  
1165-106

## RECEIPT FOR CASH—SUBVOUCHER

(To be used when invoice is not available)

Subvoucher No. \_\_\_\_\_

Date \_\_\_\_\_

### INTERIM RECEIPT FOR CASH

DATE \_\_\_\_\_

Received of Imprest Fund Cashier  
\$\_\_\_\_\_ for which I hold  
myself accountable to the United  
States.

(Signature)

**NOTE TO SIGNER**  
Be sure this receipt is marked "VOID"  
and returned to you when the transaction is  
completed or the funds returned to the Cashier.  
GPO : 1983 O - 380-498 (95)

Received in cash from \_\_\_\_\_  
\_\_\_\_\_ and \_\_\_\_\_ (\$\_\_\_\_\_) for the following:

QUANTITY	ARTICLES OR SERVICES	AMOUNT

Vendor \_\_\_\_\_

Address \_\_\_\_\_

Purpose (Project, etc.) \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_ (Signature of Vendor/Agent)

(DO NOT SIGN IN DUPLICATION)  
APPROPRIATION AND ACCOUNTING CLASSIFICATION

FIGURE 2

When using these procedures, I offer you the following advice. First, you should require that either you or the "approving" authority, if necessary, authorize all purchases in advance. This is to keep someone from going off on their own and purchasing something that isn't authorized. Second, be sure to remind people not to pay any sales tax. The NAFFMO will not reimburse you for sales taxes paid and they will probably wind up coming out of your pocket or the person who paid the tax. Third, whenever you make a cash advance you should require (insist!) that the receipt and change be returned within one workday. This keeps you in control of your petty cash fund and reduces the chance of a receipt or change being lost, misplaced, or stolen. (I'm sure this has occurred in the past and will probably happen again.) You don't want to be the one it happens to!

Well, let's see. You've followed the procedures and made several purchases. Your petty cash funds and receipts are in balance but you're running short of "cash." Now what? This is the subject of our next chapter, Reimbursing the Petty Cash Fund.

AF FORM 1401

NAFI		DATE		RECEIPT NO.	
PAID TO	NAME (Print)				
	GRADE	DUTY PHONE	ORGANIZATION		
EXPLANATION OF EXPENDITURE/REFUND			CHARGE		
			GLAC/SECTION..	AMOUNT	
			TOTAL		
APPROVED BY		PAID BY		RECEIVED BY	

AF Form 1401, JUL 85    PREVIOUS EDITION WILL BE USED.    PETTY CASH/REFUND VOUCHER

FIGURE 3

# FILLING OUT AF 1401 (SAMPLE)

NAME (PRINT)		DATE	REF. NO.
OFFICERS CLUB		1 JAN 1988	10-001
VENDOR NAME (PRINT)			
K-MART			
GRADE	DUTY PHONE	ORGANIZATION	
EXPLANATION OF EXPENDITURE REFUND		CHARGE	
		GLAC SECTION	AMOUNT
SHAMPOO FOR CARPET			
CLEANING MACHINE		720/02	5 <sup>00</sup>
		TOTAL	5 <sup>00</sup>
APPROVED BY		PAID BY	RECEIVED BY
Patty Cash Cashier		A Paid K-Mart	SEE RECEIPT

AF Form 1401, JUL 85 PREVIOUS EDITION WILL BE USED PETTY CASH/REFUND VOUCHER

(1) Enter the NAFI name (and annex, if any) and the date in the blocks at the top of the form.

(2) In the "PAID TO" block, print the name of the vendor who supplied the merchandise. If certain blocks do not apply (such as SSAN or grade), leave them blank.

(3) Under "EXPLANATION", give a complete description of the purchase. Be specific; don't just enter "supplies."

(4) Under "GLAC/SECTION", enter the 3 or 4-digit general ledger account code to show the type of expense, and enter the 2 or 3-digit section/activity code to show the using activity.

(5) The petty cash cashier will sign "APPROVED BY."

(6) The person who actually paid the vendor will sign "PAID BY." (This may be the cashier or another person.)

(7) The vendor, if present, will sign "RECEIVED BY." If the vendor is not present print "SEE RECEIPT" in this block.

(8) Stamp the vendor receipts "PAID" and attach them to the AF form 1401.

\*\*\*REMEMBER THIS IS A SAMPLE, YOUR LOCAL PROCEDURES MAY VARY\*\*\*

FIGURE 4

## CHAPTER SIX

### REIMBURSING THE PETTY CASH FUND

You may process paperwork to reimburse the petty cash fund as often as necessary. A point to note is that if you have to reimburse too frequently your petty cash fund may be too small. What's too frequently? I don't really know, perhaps twice a week is too frequent. It's a judgement call but if you are processing frequent reimbursements you might want to talk to your boss and the NAFFMO about increasing the size of the fund. Bear in mind the discussion earlier in Chapter 4 that said the fund couldn't exceed \$1,000 US currency or \$500 foreign currency, per location.

The key point you should remember is that you must reimburse the petty cash fund as of the last day of the accounting period. The accounting period is the period covered by the financial statement, usually the calendar month. For the purpose of further discussion, let's assume this is the case so I can say "month" instead of "accounting period." The reason you must reimburse the petty cash fund as of the last day of the month is that our accounting system requires that all expenditures made during the month be reported in the financial statement for that month. This is important for the "bean counters" in the Nonappropriated Funds Financial Management Branch (NAFFMB). (I can call them that because I was one once!) If you don't process the end-of-month paperwork to reimburse your petty cash fund, you delay the NAFFMB in producing the financial statement. If the financial statement is late, a whole bunch of folks right on up through the MWR Chief, the Commander, and the MAJCOM Headquarters can get very upset. No one wants this, especially to cause it, so save yourself some grief and be ready to process the reimbursement forms when required. Keep this in mind near the end of the month and make sure you have anyone who has received a cash advance return the receipt and change to you by the time you need to process your request for reimbursement.

Okay, now you're ready to process the reimbursement. The form you use is the AF Form 2539, NAF Disbursement Request. Again, we have a situation where local procedures on what to put on the form can vary, so you'll have to check with the NAFFMB folks. At Figure 5, I've provided a sample of one way to prepare the AF Form 2539 which is pretty self-explanatory. Basically you're going to need to list and itemize all of your AF Form 1401s on the AF Form 2539. As I said, the "details" of what to put may vary locally but should be similar to the sample. You will probably be required to prepare the AF Form 2539 in an original and two copies.

After you fill it out, you attach all of your AF Form 1401s and vendor receipts. Send the original and one copy, with all the AF Form 1401s and receipts to the "approving authority" (whom I assumed in the sample is the branch manager). Keep one copy of the AF Form 2539 with the petty cash fund until you receive the reimbursement check from the NAFFMB. When you get the check, "cash" it, put the money back in the petty cash fund, and the cycle continues. Pretty simple.

Well, we're almost finished now (thank goodness, you say?) but we need to touch on resources protection. Let's do that in Chapter Seven, "Resources Protection" and Chapter Eight, "Anti-Robbery Procedures."

NAF DISBURSEMENT REQUEST						
DATE 31 JAN 1988		NAFI OFFICERS CLUB (10)				
NAME OF PETTY CASH CUSTODIAN NAME IS Optional		VENDOR CODE DISBURSEMENT AMOUNT \$XXX.XX (Total of 1401s) SSN (optional)				
PURPOSE OF PAYMENT PETTY CASH Reimbursement						
GENERAL LEDGER ENTRIES						
PLAC/COST CENTER	DEBIT AMOUNT	CREDIT AMOUNT				
720/02	1 JAN 88 K-MART (stampoc)	\$5.00				
<div style="display: flex; align-items: center;"> <div style="font-size: 4em; margin-right: 10px;">}</div> <div> ITEMIZE ALL PETTY CASH VouchERS </div> </div>						
TOTAL DEBITS →						
TOTAL CREDITS →		Total of 1401s				
REQUESTED BY Petty Cash Cashier		APPROVED BY Branch Manager				
		POSTED BY				

PREVIOUS EDITION IS OBSOLETE.

★ U S G # 0 1 9 9 7 - 1 8 0 - 9 6 6 6 0 3 5 3

15

## CHAPTER SEVEN

### RESOURCES PROTECTION

As a petty cash custodian, you're in a position of trust and are responsible for the protection of all the government assets under your control and administration. Although we in MWR are not the "functional experts" on resources protection, we need to be "resources protection" conscious and have a general working knowledge of resources protection considerations. The functional experts are the resources protection folks in your security police squadron. They will advise and assist you in meeting your resources protection responsibilities. I urge you to use their expertise and follow their guidance. They're there to help! They will conduct funds protection inspections of your area and identify any discrepancies. It's your responsibility to see that the discrepancies are corrected.

As I said, you will probably not be the "expert" on many of the "detailed" requirements such as "spot welding hinge pins on doors to fund storage rooms" or "ensuring that hinge mounting screws are not exposed" but you do need to become resources protection conscious. You need to conduct regular inspections of your area and be able to identify and report any damage, violations of good security, or unusual circumstances such as doors or windows that don't lock properly. Obviously, exterior doors and windows to your area should be sufficiently secure and protected to minimize the possibility of forced entry. They should be of sufficient strength and design that they can't be forced open easily. The same applies to the room where your petty cash fund is stored and the fund container in which it's stored.

Speaking of fund containers, what are you going to keep the petty cash fund in? AFR 125-37 specifies requirements for fund storage containers with increasing security requirements as the dollar amounts of funds stored increase. Since we've already established that a petty cash fund can't exceed \$1,000 in US currency per location, I'll only touch on fund containers for amounts of less than \$1,000 and amounts of \$1,000 to \$7,500. For amounts less than \$1,000, AFR 125-37 says that the Base Resources Protection Executive Committee (RPEC) establishes the storage criteria in the base resources protection regulation. For dollar amounts from \$1,000 to \$7,500, the requirements become more specific such as meeting General Service Administration (GSA) specifications or certification by Underwriter's Laboratory (UL) as a burglar-resistant safe. The restrictions for these dollar amounts mean you could wind up storing the petty cash in a number of types of containers ranging from a locked cash box in a locked file cabinet to an actual safe. The point I'm making is that you don't just keep the petty cash fund in an envelope in your desk! You need to

coordinate with the security police to really determine what's considered suitable protection for the petty cash fund at your location.

While we're talking about fund containers, there are two forms I need to mention. These are fund container records and you're required to maintain them. First is the Standard Form (SF) 702, Security Container Checksheet (Figure 6), and second is the Standard Form (SF) 700, Security Container Information (Figure 7). The SF 702 is affixed to the outside of your fund storage container. You record all openings and closings of the fund container on the form. At the end of the duty day, you should have a second person check the container and initial the "checked by" block. If another person isn't readily available, you annotate the block to show you did a final check of the container before departing. The SF 700 is posted on the inside of the locking door or drawer of the fund container. The instructions are on the forms, so I won't go into any detail.

There are also some other general guidelines which apply to fund storage containers. For example, if they are on casters or weigh less than 500 pounds and they aren't protected by an intrusion detection alarm (IDA) system, they should be secured to the premises to prevent easy removal. If it's possible, they should be located so they can be seen by security patrols from outside the building and the immediate area of the container "lighted" during nonoperating hours. Combinations must be changed annually or upon change-in-status (transfer, discharge, separation, etc.) of anyone who knows them. Again, I reiterate the fact that you need to get your security police to advise you. I know these seem like "common sense" requirements but we easily overlook them in day-to-day operations because we aren't trained to be experts in these areas.

I mentioned an alarm system (IDA) in the previous paragraph, so let me briefly comment on alarms. Based on the maximum amount we're talking for a petty cash fund, an alarm system is not required. Just for your knowledge, I'll point out that there are generally two types of alarm systems. The intrusion detection alarm (IDA) I already mentioned, and the duress alarm. They both do exactly as their names imply. The IDA detects intruders in fund storage areas and alarms the security police. The duress alarm is manually activated by a cashier being robbed (under duress) to alarm the security police. As I said, I doubt you'll have an alarm system, but now you're aware of the terms when you hear them in discussion.

Similar to the alarms, funds escort procedures will probably not apply to you, but you should be aware they exist. Amounts up to \$7,500 are transported by the user and an escort is not required by AFR 125-37. As the amounts of funds being



## STANDARD FORM 702

[illegible]

702-101  
NSN 7540-01-213-7900

FIGURE 6

STANDARD FORM 700																
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p><b>SECURITY CONTAINER INFORMATION</b></p> <p><b>INSTRUCTIONS</b></p> <p>1. COMPLETE PART 1 AND PART 2A (ON END OF FLAP).</p> <p>2. DETACH PART 1 AND ATTACH TO INSIDE OF CONTAINER.</p> <p>3. MARK PARTS 2 AND 2A WITH THE HIGHEST CLASSIFICATION STORED IN THIS CONTAINER.</p> <p>4. DETACH PART 2A AND INSERT IN ENVELOPE.</p> <p>5. SEE PRIVACY ACT STATEMENT ON REVERSE.</p> </div> <div style="width: 70%;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1. AREA OR POST (if required)</td> <td style="width: 33%;">2. BUILDING (if required)</td> <td style="width: 33%;">3. ROOM NO.</td> </tr> <tr> <td colspan="2">4. ACTIVITY (DIVISION, BRANCH, SECTION OR OFFICE)</td> <td>5. CONTAINER NO.</td> </tr> <tr> <td>6. MFG. &amp; TYPE CONTAINER</td> <td>7. MFG. &amp; TYPE LOCK</td> <td>8. DATE COMBINATION CHANGED</td> </tr> <tr> <td colspan="3">9. NAME AND SIGNATURE OF PERSON MAKING CHANGE</td> </tr> </table> </div> </div>		1. AREA OR POST (if required)	2. BUILDING (if required)	3. ROOM NO.	4. ACTIVITY (DIVISION, BRANCH, SECTION OR OFFICE)		5. CONTAINER NO.	6. MFG. & TYPE CONTAINER	7. MFG. & TYPE LOCK	8. DATE COMBINATION CHANGED	9. NAME AND SIGNATURE OF PERSON MAKING CHANGE					
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6. MFG. & TYPE CONTAINER	7. MFG. & TYPE LOCK	8. DATE COMBINATION CHANGED														
9. NAME AND SIGNATURE OF PERSON MAKING CHANGE																
<p>10. Immediately notify one of the following persons, if this container is found open and unattended:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">EMPLOYEE NAME</th> <th style="width: 33%;">HOME ADDRESS</th> <th style="width: 33%;">HOME PHONE</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>		EMPLOYEE NAME	HOME ADDRESS	HOME PHONE												
EMPLOYEE NAME	HOME ADDRESS	HOME PHONE														
<p><b>1. ATTACH TO INSIDE OF CONTAINER</b></p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>7-70-101 NSN 7540-01-214-5372</p> </div> <div style="width: 70%;"> <p><b>STANDARD FORM 700 (8-65)</b> Prescribed by GSA/1500 32 CFR 2003</p> </div> </div>																

**WARNING**

WHEN COMBINATION ON PART 2A IS ENCLOSED, THIS ENVELOPE MUST BE SECURED IN ACCORDANCE WITH APPROPRIATE SECURITY REQUIREMENTS.

**COMBINATION**

DETAILED HERE

**WARNING**

THIS COPY CONTAINS CLASSIFIED INFORMATION AND NO COMBINATION IS ENTERED  
UNCLASSIFIED UPON CHANGE OF COMBINATION

**2A**    **INSERT IN ENVELOPE**    **SF 700 4-65**  
Prescribed by GSA/1500 32 CFR 2003

transported increase, the requirements for funds escort increase up to requiring an armed security police escort. One thing you might check on is that even though an escort is not required for amounts under \$7,500, the security police or RPEC may have established a local requirement for you to report a funds movement to the security police desk when you're moving a certain amount of money. As an example, let's say the local requirement is established at \$500. You have a petty cash reimbursement check for \$750. You go to the bank on base and cash the check. In this example, you would need to call the security police desk just before you left the bank with the cash. You would tell the desk sergeant that you were leaving the bank, your intended route of travel, your destination, and expected time of arrival. When you reached your destination safely, you would call the security police desk back and terminate the funds transfer. I bet I don't have to tell you what would happen if you forgot to call the security police back and terminate the transfer!

The second point is that when you're working with the fund (cash count, reconciliation, preparing for reimbursement, etc.), do it in a secluded area. You don't want to

"advertise" the fact that you have the petty cash, especially in areas where lots of people are around. In addition, you're less likely to be interrupted or disturbed.

Third, when you go to open your fund container be sure no one is in a position to observe the combination. I did this once to a secretary, as a joke, and couldn't believe how easy it was to see the combination (and I wasn't in an obvious position to do so). It made her angry, but it got her attention. After that, she wouldn't allow me or anyone else in the area when she opened the safe!

Fourth, and last, at the end of the day wipe down the fund container to remove any fingerprints. Then if someone gets into it, the investigators may be able to get their prints. Remember, be resources protection conscious!

So, now you're resources protection conscious. You've done all the coordinating with the security police, and all of your protective measures and your fund storage container have been approved. A robber comes to you and demands the money. What do you do? You guessed it, we'll cover that in the next chapter!

## CHAPTER EIGHT

### ANTI-ROBBERY PROCEDURES

A robbery won't happen to you, right? Probably not, but robberies in MWR areas have occurred. You need to know what to do if you are robbed. The purpose of the anti-robbery procedures addressed here is to safeguard life and property to the greatest extent possible. If you are approached by a robber you should try to do the following:

a. REMAIN CALM. I know, that's easy advice to give, right? But the robber will probably be at least as nervous as you are. Keep both hands in sight and don't make any sudden moves. You want to avoid any action which might increase the danger to you or others.

b. If you have a silent alarm (duress), try to set it off if you can do so safely and without making the robber suspicious. If you can't, set it off as soon as the robber leaves.

c. Do whatever the robber tells you. If the robber uses a note, try to put it aside and out of sight; keep it to use as evidence later (if you can), and try not to handle it unnecessarily (fingerprints).

d. Observe the robber as you comply with his/her instructions. Try to paint a vivid picture of the robber in your mind (height, weight, complexion, dress, speech, mannerisms, or any other distinguishing characteristics) which may help provide a complete description.

e. As soon as the robber leaves:

(1) If you can safely do it, try to find out which way the robber went and a description of any vehicle used.

(2) If there are any other people around, tell them to notify the security police while you try to observe the robber. If no one else is around, make sure you call as quickly as possible.

(3) Secure the area. Don't let any possible witnesses leave until released by the security police.

(4) Protect the area where the robbery took place. Don't touch or disturb anything the robber may have touched. Doors are a good item to keep in mind here. The robber may have left fingerprints (if not wearing gloves) when exiting the area or building.

(5) Don't talk about the robbery with anyone before reporting your observations to the security police.

(6) Complete any forms locally required and follow any additional local instructions.

Like I said above, it's easy to say, but try to remain calm and don't endanger yourself. At Figures 8 and 9, I've put a copy of the front and back sides of AF Form 439, Robbery Checklist. I recommend that you keep one of these forms handy and fill it out as quickly as possible should a robbery occur. Give it to the responding security police patrol.

Be aware that from time to time the security police will conduct no-notice robbery exercises to test your understanding of these procedures. If you take the time to study and practice them, your responses during an actual robbery could become second nature. This might enhance your safety because you would know what to do and probably be less nervous. Remember, it's your safety!

Okay, I said back in Chapter Six that we were almost finished (thank goodness you said). One final chapter to go (thank goodness I say!) so I can make some parting comments. Press on to the Epilogue, if you're ready.

# AF FORM 439

ROBBERY CHECKLIST			
To be completed by the person involved in the robbery			
1. Name of the person who was robbed (Last, first, middle initial)			
2. Date of the robbery (Month, day, year)			
3. Time of the robbery (Hour, minute)			
4. Direction of travel (If in a vehicle, state the direction of travel)			
5. Direction of travel (If in a vehicle, state the direction of travel)			
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99. Number and type of other weapons			
100. Number and type of other weapons			

AF FORM 439 DEC 86

FIGURE 8

# FILL IN ALL THE BLANKS

GIVE TO THE FIRST SECURITY POLICEMAN ON THE SCENE

HAIR (Color, Style)		HAT
EYES (Color, Glasses)		TIE SCARF
EARS		COAT JACKET
NOSE		SHIRT CLOUSE
MOUTH		TROUSERS (Color, Style)
JEWELRY		SHOES
AGE		SCARS MARKS
WEIGHT		WEAPON (If any)
HEIGHT		OTHER
SEX		

AUTO LICENSE MAKE COLOR ETC.	DIRECTION OF ESCAPE

CALL: \_\_\_\_\_

BE ALERT, BE OBSERVANT - Features and physical characteristics you can remember about suspicious persons or assailants will greatly help the Security Police in their apprehension.

FIGURE 9

## CHAPTER NINE

### EPILOGUE

I put this guide together for all of you petty cash custodians "out there in the trenches" who are doing such a great job supporting our MWR mission. I sincerely hope that consolidating all the information in one place is helpful to you and that you'll be able to use the guide. I think we have covered a lot of ground here. Let me say that I know most of you are already experts and I don't want the "simple" manner in which the guide is written to be taken as an insult to anyone's intelligence. I wanted the guide to be simple enough to be useful to newly assigned petty cash custodians who might not be as familiar with all the terms and procedures as some of you seasoned veterans. I also tried to keep it on a "grass roots" level so it wouldn't read like a college physics textbook. I hope I achieved these objectives.

I realize that in the guide itself, I often refer to local procedures, the NAFFMO, the security police, and the regulations themselves, for further guidance. I hope you understand that this was necessary because a guide like this just can't possibly cover each and every situation or location. There are many different ways of correctly doing things, and local procedures have been established everywhere which fit each particular location. The basics and the concepts that I've given you are universal, even if local procedures vary from place to place. Please keep that in mind. And besides, it's good for you to coordinate with all those folks I referred you back to. We're all on the same team! Working together, cooperating, and supporting each other makes us do our jobs more efficiently and effectively.

One final point is that the guide consolidates the regulatory guidance available to me at the time of writing. While our basic MWR policies and guidance remain fairly constant, some of the more specific items in the guide such as dollar amount limitations per petty cash transaction or the dollar unit cost threshold for "property" items could change. I recommend that you periodically compare the guide to the actual regulations to ensure the information remains accurate. Minor pen-and-ink changes to work copies of the guide will probably suffice for a long time before a rewrite might become necessary.

Oh yes, I almost forgot! Way back in the Preface I said the guide would include a 'self-inspection checklist. That's located at Appendix C. Again, I hope you find the guide useful as a handy reference and use it. GOOD LUCK to you all and keep up the good work!



# APPENDIX A

## GENERAL LEDGER ACCOUNT CODES

Account Number	Title	Account Number	Title
101	Cash in Bank	214	Tips Payable
102	Foreign Currency in Bank	215	Accr Annual Leave Payable
103	Capital Trust	216	Grp Health Life Ins Payable
105	Change and Imprest Funds	217	Accrued Payroll
106	Revolving Cash Fund	218	Health Maint Payable
109	Interest Bearing Deposits	219	Unemployment Comp Payable
110	CIP Investments	220	Worker's Comp Payable
111	Accounts Receivable	224	Allotments Payable
112	Returned Checks Receivable	225	Oth Personnel Exp Payable
113	Other NAFI Receivables	226	Vend Mach Inc Shar Payable
114	MAJCOM/AF Receivables	227	Accrued Maintenance
116	Loans Receivable	232	Unearned Income
119	Allocations Receivable	233	Wives Club Dues Payable
120	Allowance for Doubtful Accts	241	Allocations/Grants Payable
130	Prepaid Expense	243	Resc, Recov, Recy Program
131	Prepaid Supplies	245	Cur Port Lg Trm Lns Payable
132	Prepaid Maintenance	246	Cur Port Capital Req Loans
141	Deposits - other	249	Other Current Liabilities
161	Inventory Central Storeroom	251	Lng Trm Loans Payable
162	Inventory Sales Outlets	252	Capital Req Loans
163	Inventory in Transit	253	Deposits frn Other NAFI
164	Inventory Decentral Storeroom	270	Severance Payable NAFFMB
171	Investment - Severance Benefits	271	Lng Trm Sev/Sep Pay Ben
181	Furniture Equipment	276	Oth Lng Trm Liabilities
182	Accumulated Depr - Furn Equip	281	Spec Proj Grants Nonoper
183	Other Fixed Assets - APF Title	282	Resid Assets Dissolv NAFIs
184	Accum Depr - Oth Fxd Assets - APF	283	Prior Year Adjustments
185	Construction in Progress	284	Resvd Equity Curr Purchases
186	Facilities and Improvements - NAF	285	Resvd Equity Capital Reqmts
187	Accum Depr - Fac Impr - NAF	286	Unamort Retro Sev Benefits
188	Capital Leases	287	Transferred Equity
189	Accum Depr - Capital Leases	289	Declrd Eqty Dist/Dividends
191	Long Term Loans Receivables	290	Fund Eqty Prior Years
192	Severance Benefits Rec - NAFIs	291	Curr Year Income/Loss
193	Deposits in NAFFMB	301	Sales
194	Long Term Prepaid Expenses	401	Cost of Sales
201	Accounts Payable	501	Fees and Charges
205	Federal Withhold Tax Payable	502	Dues and Assessments
206	State Local Tax Payable	503	Slot Machine Income
207	FICA Payable	504	Instructional Fees
208	Foreign Taxes Assessments	505	Amusement Machines
209	Sev/Separation Benefits Payable	506	Concessions Income
210	Retirement Fund Payable	507	Support/Service Fees
211	Bonds Payable	508	Admissions/Entry Fees
212	Union Dues Payable	701	Payroll
213	Charity Deductions Payable	702	Foreign National Payroll

NOTE: FOR MORE DETAILED INFO ON ACCOUNTS SEE AFR 176-10

CONTINUED

GENERAL LEDGER ACCOUNT CODES

Account Number	Title	Account Number	Title
703	Employer's Share FICA Tax	799	Depr - Facilities Imprv
704	Employer's Share Foreign Tax	802	Contributions Donations
705	Employer's Share Group Ins	804	Interest Income
706	Employees Benefits Awards	805	Allocations Received
707	Employee Ben Awds (Forgn Nat'ls)	806	Dividends Received
708	Worker's Compensation	807	Late Payment Charges
710	Unemployment Compensation	808	Returned Check Svc Charge
711	Severance Benefits	809	Command Assessments Rec'd
712	Retirement Benefits	812	Miscellaneous Income
715	Other Personnel Expense	816	Sev Benefits Subsidy Rec'd
716	NAFFMB Services	820	Resc, Recov, Recy Prog
717	CCPD Expenses	833	Spec Grants Rec'd Operating
718	Computer Services	855	Div Rec'd Central Pers Cost
719	Credit Card Expense	856	Div Rec'd f/ Cent Acctng
720	Supplies Expensable Equip	857	Reimbursement Pers Cost
721	Aviation POL	858	Reimbursement Acctng Svc
722	Vehicle Operating Expense	902	Contributions Donations
723	Maint Repair - Fund Owned	903	Spec Grant Exp Prop/Equip
724	Maint Repair - Not Fund Owned	904	Spec Grant Exp Operating
725	Other Material Related Expense	905	Allocations Paid (Supp)
726	Postage Expense	906	Cash Overages Shortages
733	Slot Machines - NAFFMB	907	Slot Mach Dist Welfare Fnds
734	Slot Machines - Mechanics	908	Air Force Assessments
735	Slot Machines - Indeo Observers	909	Command Assessments
736	Slot Machines - Maint Repair	910	Gain/Loss - Currency Exchg
751	Entertainers	912	Miscellaneous Expense
752	Coupons	916	Sev Benefits Subsidy Paid
753	Membership Night	918	Discounts Lost
754	Prizes	933	Gain/Loss Disposal Assets
755	Special Operations	936	Gain/Loss Currency Reval
756	Social Hour Snacks	937	Automated Dev Cost External
757	Advertising	938	Automated Dev Cost Internal
758	Child Care Services	940	Inventory Adjustments
759	Other Promotional Expenses	961	Extraordinary Items
783	Slot Mach Support Expense		
784	Uncollectible Accounts		
785	Reimbursable Mgt Expense		
786	Uncollectible Bad Checks		
787	Telephone Telegraph		
788	Utilities		
789	Other Operating Expenses		
791	Laundry and Linens		
793	Rental Expense		
796	Interest Expense-Prompt Pay Act		
797	Vend Mach Inc Sharing Expense		
798	Depr - Furn Equip		

NOTE: FOR MORE DETAILED INFO ON ACCOUNTS SEE AFR 176-10

# APPENDIX B

## NAF ID AND ACTIVITY CODES

NAF ID CODES	NAFI TITLES	NAF ID CODES	NAFI TITLES
00	Airmen Open Mess	OPEN MESSES (ID 00-29)	
01-04	Reserved	01	Club
05	Consolidated Open Mess	02	Dining Room
06	Reserved	03	Bar
07	OTS Open Mess	04	Reserved
08-09	Reserved	05	Snack Bar
10	Officers' Open Mess	06	Reserved
11-19	Additional OOMs	07	Bingo
20	CO Open Mess	08	Swimming Pools
21-26	Additional NCOOMs	09	Recreation Center Lounge
27	Reserved	10	Bowling Lanes
28	MAJCOM Membership Asso Fund	11	Barber Shops (Club Opertd)
29	AF Central Membership Fund	12	Billeting Facilities
30	Central Base Fund	13	Golf Courses
31-35	Additional CBFs	14	Bulk Beer Sales
36	Isolated Unit Funds	15	Tennis Courts
37	Intermediate Comm Welfare Fnd	16	Reserved
38	MAJCOM Welfare Fund	17	Slot Machines
39	AF Central Welfare Fund	18	Games Night
40	Temp Lodging Facilities	19	Reserved
50	Civilian Welfare Fund	CENTRAL BASE FUNDS	
58	MAJCOM School Msn Suppt Fund	(ID 30-39, 50, and 59)	
59	Commandant Schl Msn Suppt Fund	ACTIVITY	ACTIVITY
60	Base Restaurant	CODES	TITLE
70	Billeting Fund	A = Administration	
71	Trailer Court	A1	Fund Administration
72-74	Reserved	A2	Reserved
75	Command Billng Req Pool	A3	Value Added Tax
76-79	Reserved	B = Athletic Programs	
80	Aero Club	B1	Intramural
81	Audio Club	B2	Varsity
82	Motorcycle Club	B3	Gym Oth Athletic Activities
83	Parachute/Skydiving Club	B4	Reserved
84	Riding Club	B5	Sports Retail Store
85	Rod and Gun Club	C = Bowling Centers	
86	Scuba/Sub Aqua Club	C1	Lanes Operation
87	Yacht Club		
88	Snack Bars		
89	UPT Snack Bars		
90	Field Ration Mess		
91	In-Flight Service Fund		
92-96	Other NAFIs		
97	Class VI Fund		
98	MAJCOM Class VI Fund		
99	NAFFMB		

CONTINUED

NAF ID AND ACTIVITY CODES

ACTIVITY CODES	TITLE	ACTIVITY CODES	TITLE
C2	Lanes Food and Beverage	J3	Outside School Program
C3	Lanes Pro Shop	J4	Comb Fed Campn/United Way Prog
		J5	Athletic Programs
D	Golf Facilities		
D1	Courses	K	Libraries
D2	Driving Range	K1	Library Activities
D3	Golf Pro Shop		
D4	Golf Food and Beverage	L	Education
D5	Course Maintenance		
E	Outdoor Recreation	L1	Education Services Program
E1	Marina (On-Base) Facility	M	Chaplain (Req AFWB Approval)
E2	Park (Picnic On-Base)	M1	Chaplain Programs
E3	Recreation Area (Off Base)		
E4	Equestrian Facility	N	Family Services
E5	FAM Canap	N1	Family Services Program
E6	Swimming Areas/Beaches/Pools		
E7	Skeet Trap Ranges	P	Unit Level Programs
E8	Ski Slopes	P1	Lounge Communal Area
E9	Other Outdoor Recreation	P2	Social Events
F	Supply Services Section	P3	Other Unit-Level Activities
F1	Recreation Supply	Q	Veterinary Services
F2	Resc, Recov, and Recy Program	Q1	Veterinary Services
G	Social Recreation Program		
G1	Food Beverage Operation	R	Child Care Program
G2	Ticket Tour Operation	R1	Child Care Center
G3	Bingo	R2	Kindergarten
G4	Recreatio Center Activities	R3	Pre-School Program
G5	Slot Machines	R4	Food Beverage Program
H	Arts and Crafts Program	R5	Family Day Care Program
H1	Arts Crafts Cntr Activities		
H2	Auto Hobby Shop	S	Miscellaneous MWR Activities
J	Youth Activities	S1	Dining Halls Support
J1	Youth Center Activities	S2	Health Services Support
J2	Food Beverage Operations	S3	Info Sys Newspaper Pubs

# CONTINUED

## NAF ID AND ACTIVITY CODES

ACTIVITY CODES	TITLE	ACTIVITY CODES	TITLE
S4	Amateur Radio Cable TV	Z	= Reimbursable Expenses
S5	Taxi Svs/Vehicle Rental (Auto)	Z2	Command Reimbursement Program
S6	Barber/Beauty Shops		TEMPORARY LODGING FACILITIES (ID 40)
S7	Other Misc Morale Welfare	21	TLF Operations
S8	Fund Raising Events	22-30	Reserved
S9	Spec Events/Holidays/Observances		BASE RESTAURANTS (ID 60)
T	= Misc Recreation Activities	60	Administration
T1	Roller Skating Rink	61	Vending Machines
T2	Ice Skating Rink	62	Reserved
T3	Miniature Golf Course	63	Sundry Stores
T4	Scuba Diving	64-65	Reserved
T5	Indoor Multi-Purp Rec Facilities	66	Food Bev Outlets No. 1-26
T6	Misc Contest-Tournys Activities	67-69	Reserved
T7	Food Beverage Operations		BILLETING FUND/TRAILER COURTS
T8	Other Misc Activities		(ID 70-71)
U	= Spec Morale Welfare Activities	31	Administration
U1	Individual Recognition	32	BOQ
U2	Civic Affairs Events	33	UNCOQ
U3	Memorial Observances	34	UNCEQ
U4	Welcoming Orientation	35	VOQ
U5	Amenities/Entertain VIPs	36	VAQ
U6	Enhancement of Environment	37	Guest House/Temp Lodg Facility
U7	Chaplain Programs	38	Other Billeting Activities
U8	Other Spec MWR Activities	39	APQ
U9	Individual Membership	40-49	Reserved
V	= Cadet Athletic Program		AERO CLUBS (ID 80)
V1	Athletic Programs		A = Non-Aircraft Activities
W	= Cadet Arts Crafts Programs	A1	Administration
W1	Arts Crafts Programs	A2	Ground School
X	= Cadet Misc MW Programs	A3	Flight School
X1	Other Misc MW Programs	A4	Flight Simulators
Y	= Cadet Misc Recreation	A5-A9	Reserved
Y1	Other Misc Rec Activities		

# CONTINUED

## NAF ID AND ACTIVITY CODES

ACTIVITY CODES	TITLE	ACTIVITY CODES	TITLE
B = Beechcraft Aircraft		6 = Government Loaned Aircraft	
B1 Beechcraft Aircraft		61 T-34 Aircraft	
B2-B9 Reserved		62 T-41 Aircraft	
C = Cessna Aircraft		63 Other Government Supplied Aircraft	
C1 Cessna 150 Aircraft		64-69 Reserved	
C2 Cessna 172 Aircraft			
C3 Cessna 177 Aircraft		OTHER NAFIs (ID 81-96)	
C4 Cessna 182 Aircraft		51 Administration	
C5 Cessna 200 Aircraft		52 Snk Bars, Concessions, Food Ops	
C6-C9 Reserved		53 Bar Operations	
D = Piper Aircraft		54 Pro Shops Sales Outlets	
D1 Piper PA-23 Aircraft		55 Tape Record Sales	
D2 Piper PA-24 Aircraft		56 Supplies, Services Rentals	
D3 Piper PA-28 Aircraft		57 Special Events	
D4 Piper PA-30 Aircraft		58 Special Programs/Activities	
D5 Piper PA-32 Aircraft		59 Other	
D6 Piper PA-34 Aircraft			
D7 Piper PA-38 Aircraft		CLASS VI FUND (ID 97)	
D8-D9 Reserved		53 Sales to Other NAFIs	
E = Multi-Engine Aircraft		54 Patron Sales	
E1 Beechcraft M-E Aircraft			
E2 Cessna M-E Aircraft		COMMAND CLASS VI FUND (ID 98)	
E3 Piper M-E Aircraft		54 Sales From Class VI	
E4 Other M-E Aircraft			
E5-E9 Reserved		NAFFMB (ID 99)	
F = Other Misc Aircraft		50 Slot Machines	
F1 Mooney Aircraft		51 Accounts Control	
F2 Aero Commander Aircraft		52 Funds Control	
F3 American Aircraft		53 Inventory Control	
F4 Citabria Aircraft		54 Central NAF Storeroom	
F5 Artic Tern Aircraft		55 Financial Operations	
F6-F9 Reserved		56 Civilian Personnel	
		57 Base Contracting	
		58 Administration	

## APPENDIX C

### SELF-INSPECTION CHECKLIST

YES	NO	
		1. Have any recommendations noted by the resident auditor, IG, or security police in their reports been complied with and corrected? (AFR 176-10, Atch 3, Part I, 3)
		2. Has the Chief, MWR established the petty cash fund for a specific amount within regulatory limitations? (AFR AFR 176-2, para 3-3)
		3. Has a limitation not to exceed \$150 been set on the amount of any one purchase (purchases will not be split to circumvent the limit)? (AFR 176-2, para 3-4a, c)
		4. Are checks to establish the fund and checks to reimburse the fund made payable to the imprest fund cashier? (AFR 176-2, para 2-8h)
		5. Does the custodian of the petty cash fund obtain signed receipts (AF Form 2557, SF 1165) from persons to whom funds are advanced? (AFR 176-2, para 3-2)
		6. Are petty cash vouchers used to support all disbursements? (AFR 176-2, para 3-4e)
		7. Does each petty cash voucher indicate the nature of the expense and are they supported by vendor's receipts or invoices? (AFR 176-2, para 3-4g)
		8. Have "refunds" from petty cash been authorized by the NAFFMO? (AFR 176-2, para 3-1a)
		9. Is the petty cash voucher (AF Form 1401) signed by the person who receives the cash reimbursement from the petty cash custodian? (AFR 176-2, para 3-4f)
		10. Are used petty cash vouchers and supporting invoices marked "paid" when the invoices or receipts are received for the purchase? (Recommended)

CONTINUED

SELF-INSPECTION CHECKLIST

YES	NO	
		11. Are petty cash vouchers summarized at least at the end of each month and reimbursed as of the last day of the month and at other times as necessary? (AFR 176-2, para 3-4g)
		12. Does the petty cash custodian account for the total amount of the fund with cash, cash advance receipts, vouchers and vendor's sales receipts? (AFR 176-2, para 3-4)
		13. Petty cash shall not be used to pay for nonexpendable equipment, employee wages, entertainment or other personal service type contractors. Is this complied with? (AFR 176-2, para 3-4d)
		14. Have procedures been established to preclude paying state and local sales taxes when making petty cash purchases? (AFR 176-1, para 3-13b)
		15. Are any losses of petty cash funds reported immediately? (AFR 176-2, para 4-2b)
		16. Are surprise cash counts conducted at least every 60 days in accordance with the regulation? (AFR 176-2, para 2-11)
		17. Are physical security procedures constantly scrutinized, updated, and consistently implemented? (AFR 176-2, para 5-1)
		18. Is cash handled in a protected or secluded area to which there is limited access? (AFR 176-10, Atch 3, Part II, 5a)
		19. Are the Standard Form (SF) 700 and SF 702 being maintained as required? (AFR 125-37, para 11-7)
		20. Is the safe combination changed when any person having knowledge of the combination is reassigned or relieved from fund responsibilities, or at least every 12 months? (AFR 176-10, Atch 3, Part XII, 10)



CONTINUED

SELF-INSPECTION CHECKLIST

YES NO

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21. Is the combination to the safe provided only to persons authorized access to the safe, and has a copy of the combination been placed in a sealed envelope and given to the person or office designated by the installation commander for safe keeping? (AFR 176-10, Atch 3, Part XII, 11)
22. When transferring substantial amounts to and from the bank or depository, are security police notified so that extra surveillance of the transfer can be provided? (AFR 125-37, para 11-8e(2); AFR 176 -2, para 2-4)
23. Is the petty cash custodian prevented from having access to accounting records and receipts for the fund that establish or change the accountability? (AFR 172-2, para 2-1a)
24. Are physical security inspections made by security police as required? (AFR 125-37, 11-3b)
25. Is the size of the petty cash fund limited to the minimum amount required to conduct business as determined by past experience and good judgment? (AFR 125-37, para 11-4b(2))
26. When possible, are safes and fund containers positioned so that they can be observed from outside the structure and, if so, is the immediate area of the container "lighted" during nonoperating hours? (AFR 125-37, para 11-14f)

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